

**CAMERON COMMUNITY  
ACTION AGENCY, INC.  
Grand Lake, Louisiana**

**Financial Statements  
December 31, 2011**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date **MAY 16 2012**

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**Broussard & Company**  
Certified Public Accountants

## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Cameron Community Action Agency, Inc.  
Grand Lake, Louisiana

We have audited the accompanying statement of financial position of Cameron Community Action Agency, Inc. (the Agency) (a non-profit organization) as of December 31, 2011, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Agency as of December 31, 2011, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 24, 2012, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of the combining statement of financial position and government grant revenue is presented for purposes of additional analysis and is not a required part of the financial statements of the Agency. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of the Agency. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying



Board of Directors  
Cameron Community Action Agency, Inc.  
Grand Lake, Louisiana

accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Boassant and Company*

Lake Charles, Louisiana  
April 24, 2012

**Cameron Community Action Agency, Inc.**  
**Statement of Financial Position**  
**As of December 31, 2011**

<b>Assets</b>	
<b>Current Assets</b>	
Cash and cash equivalents	\$ 165,290
Grants receivable	13,119
Inventory	2,974
Prepaid expenses	25,487
Total Current Assets	<u>206,870</u>
<b>Property and Equipment</b>	
Buildings and improvements	3,974,180
Vehicles	158,123
Furniture, fixtures and equipment	49,547
	<u>4,181,850</u>
Less accumulated depreciation	(534,095)
Total Property and Equipment	<u>3,647,755</u>
Total Assets	<u><u>\$ 3,854,625</u></u>
<b>Liabilities and Net Assets</b>	
<b>Current Liabilities</b>	
Accounts payable	\$ 4,420
Accrued payroll	8,647
Total Current Liabilities	<u>13,067</u>
<b>Net Assets</b>	
Unrestricted:	
Appropriated - property and equipment	3,647,755
Unappropriated	183,814
Total unrestricted	<u>3,831,569</u>
Temporarily restricted	9,989
Total Net Assets	<u>3,841,558</u>
Total Liabilities and Net Assets	<u><u>\$ 3,854,625</u></u>

See accompanying notes to financial statements.

**Cameron Community Action Agency, Inc.**  
**Statement of Activities**  
**For the Year Ended December 31, 2011**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Combined Total</u>
<b>Support and Revenue</b>			
Support:			
Contributions	\$ 13,136	\$ 28,873	\$ 42,009
Grants from governmental agencies and other organizations	-	748,625	748,625
Total support	<u>13,136</u>	<u>777,498</u>	<u>790,634</u>
Revenues:			
Program service fees	31,295	-	31,295
Interest income	6	-	6
Total revenues	<u>31,301</u>	<u>-</u>	<u>31,301</u>
Net assets released from restrictions	<u>767,509</u>	<u>(767,509)</u>	<u>-</u>
Total Support and Revenues	811,946	9,989	821,935
<b>Functional Expenses</b>			
Program Services:			
Head Start	631,943	-	631,943
Community Services Block Grant (CSBG)	53,020	-	53,020
Child and Adult Care Food Program (CACFP)	56,303	-	56,303
Low-Income Home Energy Assistance Program (LIHEAP)	80,580	-	80,580
Local funds and programs	71,540	-	71,540
Teen center	39,654	-	39,654
Head Start parent involvement	23,518	-	23,518
Total program services	<u>956,558</u>	<u>-</u>	<u>956,558</u>
Total Functional Expenses	<u>956,558</u>	<u>-</u>	<u>956,558</u>
Change in Net Assets	(144,612)	9,989	(134,623)
Net Assets - Beginning of Year	3,976,181	-	3,976,181
Net Assets - End of Year	<u>\$ 3,831,569</u>	<u>\$ 9,989</u>	<u>\$ 3,841,558</u>

See accompanying notes to financial statements.

**Cameron Community Action Agency, Inc.**  
**Schedule of Functional Expenses**  
**For the Year Ended December 31, 2011**

	Head Start	Program Services						Team Center	Parent Involvement	Total
		CSBG	CACFP	LIHEAP	Local funds					
Salaries	\$ 326,698	\$ 32,005	\$ -	\$ -	\$ 21,595	\$ 30,906	\$ -	\$ -	\$ -	\$ 411,204
Payroll taxes	29,287	2,880	-	-	1,944	2,781	-	-	-	36,892
Fringe benefits	30,531	1,370	-	-	7,973	-	-	-	-	39,874
Direct emergency assistance	-	800	-	-	2,416	-	-	-	-	3,216
Utility assistance	-	-	-	69,050	-	-	-	-	-	69,050
Contracted Services	17,744	1,561	-	431	6,160	-	-	-	-	25,896
Parent Involvement	-	-	-	-	-	-	23,518	-	-	23,518
Supplies and materials	1,925	-	9,764	-	5,794	5,795	-	-	-	23,278
Classroom supplies	19,988	-	-	-	-	-	-	-	-	19,988
Office supplies	1,897	5,320	-	5,372	2,113	-	-	-	-	14,702
Repairs and maintenance	-	-	-	1,958	9,735	-	-	-	-	11,693
Training and seminars	6,374	-	-	-	-	-	-	-	-	6,374
Travel	-	1,726	-	211	1,417	172	-	-	-	3,526
Utilities	26,413	4,711	-	-	5,803	-	-	-	-	36,927
Insurance	30,064	1,204	-	-	1,302	-	-	-	-	32,570
Rent	2,220	638	-	-	1,440	-	-	-	-	4,298
Dues	-	805	-	-	1,472	-	-	-	-	2,277
Food purchases	-	-	41,900	-	-	-	-	-	-	41,900
Depreciation	138,617	-	-	-	-	-	-	-	-	138,617
Miscellaneous	185	-	4,639	3,558	2,376	-	-	-	-	10,758
<b>Total functional expenses</b>	<b>\$ 631,943</b>	<b>\$ 53,020</b>	<b>\$ 56,303</b>	<b>\$ 80,580</b>	<b>\$ 71,540</b>	<b>\$ 39,654</b>	<b>\$ 23,518</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 956,558</b>

See accompanying notes to financial statements.

**Cameron Community Action Agency, Inc.**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2011**

**Cash Flows From Operating Activities**

Change in net assets	\$ (134,623)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	138,617
Decrease in grants receivable	11,805
Decrease in inventory	187
(Increase) in prepaid expenses	(1,589)
(Decrease) in accounts payable	(4,706)
Increase in accrued payroll	9

Net Cash Provided by Operating Activities	9,700
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Net Increase in Cash and Cash Equivalents	9,700
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Cash and Cash Equivalents - Beginning of Year	155,590
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Cash and Cash Equivalents - End of Year	\$ 165,290
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See accompanying notes to financial statements.



**CAMERON COMMUNITY ACTION AGENCY, INC.**  
**Notes to Financial Statements**  
**December 31, 2011**

**NOTE 1 - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

The Cameron Community Action Agency, Inc. (the Agency) is a private nonprofit corporation and was incorporated in January of 1987. The Agency will continue in existence for ninety-nine years per its charter and is governed by a board of directors consisting of elected officials, clergymen, local business leaders, advocates for the poor and other interested individuals. The Agency receives grants from the federal and state governments to conduct various service programs.

Service programs include but are not limited to Head Start, Community Service Block grants (CSBG), Child and Adult Food Program (CACFP) and the Low-Income Home Energy Assistance Program (LIHEAP). Head Start provides educational, psychological, nutritional, medical, and social services to the Area's economically challenged pre-school children. CSBG funds are used for administrative and other budgeted purposes as well as direct emergency assistance for qualifying residents. CACFP provides food and food service supplies to the children enrolled in the Head Start program. LIHEAP funds are used for the payment of home energy bills for qualifying residents.

In addition, the Agency handles local funds for energy grants, medical assistance and teen outreach programs as well as dealing with housing issues for qualifying residents.

**Income Taxes**

The Agency is exempt from federal income taxes under Section 501 (c) (3) of the Internal Revenue Code. Accordingly, no provision for federal and state income taxes is included in the financial statements.

The Agency is required to file the applicable Form 990, *Return of Organization Exempt from Income Tax*. The applicable form is based on the Agency's gross receipts. The Agency is in compliance with the filing requirements of the Internal Revenue Service. Returns are subject to examination by the IRS, generally for three years after they are filed.

**Method of Accounting**

The accompanying financial statements have been prepared on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America.

**Accounting Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**CAMERON COMMUNITY ACTION AGENCY, INC.**  
**Notes to Financial Statements (Continued)**  
**December 31, 2011**

**NOTE 1 - NATURE OF ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**Compensated Absences**

Vacation and sick leave are recorded as expenditures of the period in which paid. Sick leave accumulates at a rate of 1.5 days per month and is not payable upon termination or resignation. Vacation leave accumulates at the same rate after three months of service has been completed. Upon termination or resignation, a maximum of nine days can be paid to an employee. This same amount can be carried over from year to year. Any liability as of December 31, 2011 would be considered immaterial and has not been recorded on the Agency's accounting records.

**Property and Equipment**

The Agency capitalizes property and equipment over \$1,000. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Depreciation of property and equipment is calculated on the straight line basis over the estimated useful life of the asset. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose.

**Contributed Services**

No amounts have been reflected in the financial statements for donated services. The Agency generally pays for services requiring specific expertise. However, individuals volunteer their time and perform a variety of tasks that assist the Agency but these services do not meet the criteria for recognition as contributed services.

**Functional Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**Donations**

Donations received are recorded as unrestricted, temporarily restricted, or permanently restricted net assets depending on the existence or nature of any donor restrictions.

**CAMERON COMMUNITY ACTION AGENCY, INC.**  
**Notes to Financial Statements (Continued)**  
**December 31, 2011**

**NOTE 2 - PROPERTY AND EQUIPMENT**

Property and equipment at December 31, 2011 consists of the following:

Buildings	\$ 3,974,180
Vehicles	158,123
Equipment	<u>49,547</u>
	4,181,850
Less accumulated depreciation	<u>(534,095)</u>
Net property and equipment	<u>\$ 3,647,755</u>

Depreciation expense for the year ended December 31, 2011 was \$138,617.

**NOTE 3 - FAIR VALUE MEASUREMENTS**

The fair value of financial instruments classified as current assets, including cash, approximate the carrying value, principally because of the short maturity of those items.

**NOTE 4 - ECONOMIC DEPENDENCY**

The Agency receives a substantial portion of its total support and revenues from the U.S. Department of Health and Human Services for the Head Start program. A significant reduction in the level of this support or suspension in funding would have an adverse effect on the continuing operations of the Agency.

**NOTE 5 - SUBSEQUENT EVENTS**

The Agency evaluated its December 31, 2010 financial statements for subsequent events through April 24, 2012, the date of which the financial statements were available to be issued. The Agency is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

**NOTE 6 - BOARD COMPENSATION**

Members of the Agency's Board of Directors receive no compensation and are reimbursed only for any expenses incurred relating to the Agency's business which must have appropriate supporting documentation.

**CAMERON COMMUNITY ACTION AGENCY, INC.**  
**Notes to Financial Statements (Continued)**  
**December 31, 2011**

**NOTE 7 - GRANT REVENUE**

The Agency's major source of revenue is federal and state governmental grants. The use of these funds is restricted to the purpose set forth in the individual grant agreement. Such grants are subject to review and audit by the grantor agencies. The result of such reviews or audits could result in requests for reimbursement by the grantor for expenditures disallowed under the terms and conditions of the grant. In the opinion of the Agency's management, such disallowances and requests for reimbursements, if any, will not be significant.

**NOTE 8 - FUNCTIONAL ALLOCATION OF EXPENSES**

Expenses were allocated in the accompanying financial statements to program service functional expense groups. The methods of allocation were based on several factors such as utilization of office space as well as the Agency's estimates of the relative proportion of various staff members' time and effort between program and administrative functions.

**NOTE 9 - TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets at December 31, 2011 consist of funds received under the Head Start Body Start Play Grant in the amount of \$9,989. These grant funds are specifically earmarked for outdoor play space enhancements.

**NOTE 10 - NET ASSETS RELEASED FROM RESTRICTION**

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes for the year ended December 31, 2011 in the amount of \$767,509.

**Cameron Community Action Agency, Inc.**  
**Combining Statement of Financial Position**  
**For the Year Ended December 31, 2011**

	Local Funds	CACFP	CSBG	Head Start	Total
<b>Assets</b>					
<b>Current Assets</b>					
Cash and cash equivalents	\$ 43,375	\$ 13,805	\$ 5,773	\$ 102,337	\$ 165,290
Grant receivables	1,262	8,965	2,892	-	13,119
Inventory	-	2,974	-	-	2,974
Prepaid expenses	-	-	-	25,487	25,487
<b>Total Current Assets</b>	<b>44,637</b>	<b>25,744</b>	<b>8,665</b>	<b>127,824</b>	<b>206,870</b>
<b>Property and Equipment</b>					
Buildings and improvements	-	-	-	3,974,180	3,974,180
Vehicles	-	-	-	158,123	158,123
Furniture, fixtures and equipment	-	-	-	49,547	49,547
<b>Total Current Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,181,850</b>	<b>4,181,850</b>
Less accumulated depreciation	-	-	-	(534,095)	(534,095)
<b>Total Property and Equipment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,647,755</b>	<b>3,647,755</b>
<b>Total Assets</b>	<b>\$ 44,637</b>	<b>\$ 25,744</b>	<b>\$ 8,665</b>	<b>\$ 3,775,579</b>	<b>\$ 3,854,625</b>
<b>Liabilities and Net Assets</b>					
<b>Liabilities</b>					
Accounts payable	\$ 528	\$ 3,403	\$ 489	\$ -	\$ 4,420
Accounts payable	1,031	-	467	7,149	8,647
<b>Total Current Liabilities</b>	<b>1,559</b>	<b>3,403</b>	<b>956</b>	<b>7,149</b>	<b>13,067</b>
<b>Net Assets</b>					
Unrestricted net assets	-	-	-	3,647,755	3,647,755
Appropriated - property and equipment	43,078	22,341	7,709	110,686	183,814
Unappropriated	43,078	22,341	7,709	3,758,441	3,831,569
Total unrestricted	-	-	-	9,989	9,989
Temporarily restricted	43,078	22,341	7,709	3,768,430	3,841,558
<b>Total Net Assets</b>	<b>\$ 44,637</b>	<b>\$ 25,744</b>	<b>\$ 8,665</b>	<b>\$ 3,775,579</b>	<b>\$ 3,854,625</b>

See accompanying notes to financial statements.

**Cameron Community Action Agency, Inc.**  
**Schedule of Government Grant Revenue**  
**For the Year Ended December 31, 2011**

Head Start	\$ 504,145
CSBG	61,913
CACFP	66,909
LIHEAP	80,968
Local grants	<u>34,690</u>
Total	<u>\$ 748,625</u>

See accompanying notes to financial statements.



**Broussard & Company**  
Certified Public Accountants

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors  
Cameron Community Action Agency, Inc.  
Grand Lake, Louisiana

We have audited the financial statements of Cameron Community Action Agency, Inc. (a nonprofit organization) (the Agency) as of and for the year ended December 31, 2011, and have issued our report thereon dated April 24, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Agency's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Agency's financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified one deficiency in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency in internal control over financial reporting as identified by reference number 11-1(IC). A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Board of Directors  
Cameron Community Action Agency, Inc.  
Lake Charles, Louisiana

#### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The agency's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the Agency's response and, accordingly, we express no opinion on it.

This report is intended solely for the information of the Board of Directors, management, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Broussard and Company*

Lake Charles, Louisiana  
April 24, 2012





**Broussard & Company**  
Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD  
HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL  
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Directors  
Cameron Community Action Agency, Inc.  
Grand Lake, Louisiana

Compliance

We have audited the compliance of the Cameron Community Action Agency, Inc.'s (the Agency) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Agency's major federal programs for the year ended December 31, 2011. The Agency's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Agency's management. Our responsibility is to express an opinion on the Agency's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Agency's compliance with those requirements.

In our opinion, the Cameron Community Action Agency, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2011.

Board of Directors  
Cameron Community Action Agency, Inc.  
Grand Lake, Louisiana

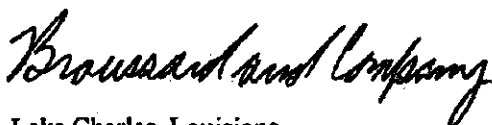
#### Internal Control Over Compliance

Management of the Agency is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Agency's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133,, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information of the Board of Directors, management, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.



Lake Charles, Louisiana  
April 24, 2012

**CAMERON COMMUNITY ACTION AGENCY, INC.**

**Schedule of Expenditures of Federal Awards  
Year Ended December 31, 2011**

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Identifying Number</u>	<u>Federal Expenditures</u>
U.S. Department of Health and Human Services:			
Direct programs:			
Head Start	93.600		\$ 631,943
Pass-through programs from:			
Community Services Block Grant	93.569	2009N0086	53,020
Louisiana Housing Finance Authority			
Low-Income Home Energy Assistance	93.568		<u>80,580</u>
Total Department of Health and Human Services			765,543
U.S. Department of Agriculture:			
Passed through:			
Louisiana Department of Education			
Child and Adult Care Food Program	10.558		<u>\$ 56,303</u>
Total expenditures of federal awards			<u>\$ 821,846</u>

**Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the Cameron Community Action Agency, Inc. (the Agency) under programs of the federal government for the year ended December 31, 2011. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of the Agency, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Agency.

**Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, *Cost Principles for Non-Profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

**CAMERON COMMUNITY ACTION AGENCY, INC.**

**Schedule of Findings and Questioned Cost  
Year Ended December 31, 2011**

**SECTION I - SUMMARY OF AUDITORS' RESULTS**

**Financial Statements**

Type of auditor's report issued Unqualified  
Internal control over financial reporting:  
Material weaknesses identified? ☐ Yes ☒ No  
Significant deficiencies identified not  
considered to be material weaknesses? ☒ Yes ☐ None reported  
Noncompliance material to financial statements  
noted? ☐ Yes ☒ No

**Federal Awards**

Internal control over major programs:  
Material weaknesses identified? ☐ Yes ☒ No  
Significant deficiencies identified not  
considered to be material weaknesses? ☐ Yes ☒ None reported  
Type of auditor's report issued on compliance  
for major programs: Unqualified  
Any audit findings disclosed that are required  
to be reported in accordance with Circular  
A-133, Section .510 (a)? ☐ Yes ☒ No

**Identification of major programs:**

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
93.600	US Department of Health and Human Services, Head Start

Dollar threshold used to distinguish between  
Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee? ☐ Yes ☒ No

**No Separate Management Letter Issued**

**CAMERON COMMUNITY ACTION AGENCY, INC.**

**Schedule of Findings and Questioned Cost  
Year Ended December 31, 2011**

**Internal Control over Financial Reporting**

**Current Year Findings and Questioned Costs**

**11-1(IC) Significant Deficiency**

<b>Condition:</b>	The Agency does not have a staff person who has the qualifications and training to apply generally accepted accounting principles in recording the Agency's financial transactions or preparing its financial statements, including the related notes.
<b>Criteria:</b>	Internal controls should be in place that provide reasonable assurance that management review of financial results occurs in order to minimize the risk of a material misstatement.
<b>Cause:</b>	Financial statements encompassing the Agency's entire operations are not produced.
<b>Effect:</b>	Material misstatements in the Agency's financial statements could occur.
<b>Recommendation:</b>	Management should put in a place a financial statement review that includes the Agency's entire operation.
<b>Corrective Action:</b>	The Agency has evaluated the cost versus benefit of establishing internal controls over the preparation of financial statements in accordance with accounting principles generally accepted in the United States of America, and determined that it is in its best interests to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.

**Prior Year Findings and Questioned Costs**

10-1(IC) Material Weakness – This is the same as the above current year finding. The severity of the finding has been downgraded from a material weakness to a significant deficiency as management and the Board of Directors performed a comprehensive review of the financial statements and notes before issuance.

**Compliance**

There were no findings related to compliance during the fiscal year ending December 31, 2011.

There were no findings related to compliance during the fiscal year ending December 31, 2010.